

SENATE BILL 881

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 12 and Title 56, Chapter 7, Part 11, relative to financial responsibility of motor vehicle operators.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 11, is amended by adding a new section thereto, as follows:

56-7-1118.

(a) For the purpose of aiding in the enforcement of the requirement of financial responsibility in title 55, chapter 12, any insurer issuing or renewing any policy of motor vehicle liability insurance shall within three (3) business days from the date the insurance agent binds the coverage or on the date such coverage was renewed provide notice of such insurance coverage by electronic transmission to the department.

(b) Insurance coverage information included in such notice of issue or renewal shall be limited exclusively to the name of the insurer, vehicle identification number, the make and year of the insured motor vehicle and the policy effective date. The department shall not require the policy limits be disclosed for the purposes of this section. In cases in which the minimum motor vehicle insurance coverage required by § 55-12-102 terminates, the insurer shall by electronic transmission notify the department of such insurance coverage termination on or before the date coverage ends or, if termination is at the request of the insured, then on the date such request is processed by the insurer. Insurance coverage termination information included in such notice shall include the vehicle identification number and the date of coverage termination.

(c) There shall be no private cause of action against an insurer or the department for civil damages for providing information, failing to provide information or erroneously providing information pursuant to this section.

(d) The insurance coverage records of any particular motor vehicle may be available for inspection in a manner prescribed by the commissioner by any law enforcement officer for official law enforcement investigations, by the insurer of record and the owner of the vehicle.

(e) The commissioner shall prescribe the form and manner of electronic transmission by insurers sending notices of insurance coverage or termination of insurance coverage as required by this section.

(f) The commissioner shall develop a database that may be utilized by law enforcement officers to determine compliance with the financial responsibility law compiled in title 55, chapter 12. The motor vehicle liability insurance database of the department shall be operational no later than July 1, 2014.

(g) The commissioner may confirm with the department of revenue the vehicle identification number of a motor vehicle. When the vehicle identification number does not match the department of revenue's motor vehicle records, the department of commerce and insurance shall notify the insurer and the insurer shall, within five (5) business days from notification of the error in the vehicle identification number, correct the vehicle identification number and resubmit the transaction. After receipt of the department's notice, if the insurer determines that the vehicle identification number that it submitted to the department is in fact the accurate number on the insured vehicle, then the insurer shall notify the department of revenue and the owner of the motor vehicle. The owner of the motor vehicle shall obtain a correction of such vehicle identification number from the office of the appropriate county clerk.

SECTION 2. Tennessee Code Annotated, Section 55-12-139, is amended by adding a new subsection thereto, as follows:

(g) A law enforcement officer requesting proof of financial responsibility pursuant to this section may use the motor vehicle liability insurance database maintained by the department of commerce and insurance as provided by § 56-11-1118.

SECTION 3. The commissioner of commerce and insurance shall promulgate rules and regulations to implement the provisions of this act, including the development of a motor vehicle liability insurance database.

SECTION 4. For the purpose of developing a motor vehicle liability insurance database by the department of commerce and insurance, and for promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes this act shall take effect July 1, 2014, the public welfare requiring it.